



RECRUITMENT & TECHNOLOGY SOLUTIONS

# 2025

## HALF YEAR REPORT

[igniteco.com](https://igniteco.com)

# Ignite Limited

ABN 43 002 724 334

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## Directors' Report

The Directors of Ignite Limited (the "Company") and its controlled entities (the "Group") (ASX: IGN) present their report together with the financial report for the half year ended 31 December 2024 and the independent auditor's review report.

### Directors

The Directors of the Company for the half year ended 31 December 2024 were:

Garry Sladden  
Jennifer Elliott  
Cameron Judson

### Principal activities

The principal activities of the Group during the half year were the provision of contingent labour and permanent recruitment services ("Specialist Recruitment"), and information technology services ("Technology Solutions"). The Group operates in Australia and employs 45 people. There have been no changes in the principal activities of the Group during the half year.

### Dividends

No dividends were paid or declared during the half year. On 18 February 2025 the Directors resolved to declare an interim dividend for the half year ended 31 December 2024 of \$0.035 per share.

## Directors' Report (continued)

### Financial and operational review

#### Financial Results compared to the prior corresponding period:

- Revenue of \$46,788k down 7%
- Gross profit of \$5,886k down 1%
- Gross profit margin up from 11.8% to 12.6%
- Statutory profit of \$615k up 189%
- EBITDA of \$724k up 45%
- \$3.5 million cash available, and no debt

|  | 31 Dec 2024 | 31 Dec 2023 | Increase/<br>(Decrease) | Increase/<br>(Decrease) |
|--|-------------|-------------|-------------------------|-------------------------|
|  | \$000       | \$000       | \$000                   | %                       |
| Revenue  | 46,788      | 50,241      | (3,453)                 | (6.9)                   |
| Gross profit   | 5,886       | 5,951       | (65)                    | (1.1)                   |
| Gross profit margin  | 12.58%      | 11.84%      | -                       | -                       |
| Employee benefits expense  | 3,751       | 3,617       | 134                     | 3.7                     |
| Occupancy expense  | 137         | 173         | (36)                    | (20.8)                  |
| Other expenses   | 1,279       | 1,663       | (384)                   | (23.1)                  |
| Profit before corporate overheads and tax                              | 2,306       | 2,973       | (667)                   | (22.4)                  |
| Corporate overheads  | 1,691       | 2,760       | (1,069)                 | (38.7)                  |
| Profit, net of income tax  | 615         | 213         | 402                     | 188.7                   |
| Earnings before interest, tax, depreciation, and amortisation (EBITDA) | 724         | 499         | 225                     | 45.1                    |
| Net cash (used in)/ from operating activities                          | (583)       | 705         | (1,288)                 | (182.7)                 |

|            | 31 Dec 2024 | 30 Jun 2024 | Increase/<br>(Decrease) | Increase/<br>(Decrease) |
|------------|-------------|-------------|-------------------------|-------------------------|
|            | \$000       | \$000       | \$000                   | %                       |
| Cash       | 3,523       | 4,101       | (578)                   | (14.1)                  |
| Net assets | 8,273       | 7,664       | 609                     | 7.9                     |

#### Financial review

Revenue decreased 7% from \$50.2 million to \$46.8 million in the half year and gross profit decreased 1.1% from \$6.0 million to \$5.9 million, reflecting a marked improvement in gross profit margin of 0.8% from 11.8% to 12.6%. The increase in gross profit margin was due to the continued efforts to improve our margin mix.

Employee benefits expense increased by \$134k (3.7%) due to higher commission payments for overachievements in permanent recruitment and the addition of our Executive General Manager for Technology Solutions. Total internal headcount on 31 December 2024 was 45 versus 49 in the comparative period.

Other expenses decreased \$384k (23.1%) compared to the prior comparative period, which is primarily related to the benefits of cost efficiencies achieved over the past 12 months. Cash and cash equivalents on 31 December 2024 decreased 14.1% to \$3,523k (30 June 2024: \$4,101k). Net cash used in operating activities for the half year was \$583k (31 December 2023: \$705k net cash from operating activities), due entirely to the timing of payments for contractor related expenses on 31 December 2024. The Company is on track to deliver further improvements in operating cashflow for the full year.

## Directors' Report (continued)

### Financial and operational review (continued)

Cash from investing activities was \$178k due to the termination of a term deposit no longer required for our Sydney lease. Cash used in financing activities was \$170k (31 December 2023: \$915k cash from financing activities) as the prior comparative period included net cash received from the Institutional and Retail rounds of the Entitlement Offer<sup>1</sup> and the repayment of debt with Scotpac.

### Operational review

#### Specialist Recruitment

Specialist Recruitment contributes 98.7% of the Group's revenue. For the 6 months to 31 December 2024, revenue for contingent labour decreased by 6.3%. As of 31 December 2024, there were 437 active contractors within Specialist Recruitment versus 507 as of 31 December 2023. Our average gross margin per contractor increased 18.5% and permanent recruitment grew 16.7% over the same period.

#### Technology Solutions

The Technology Solutions business recorded a loss before allocation of corporate overheads of \$169k in the half year, a 225.2% decrease on the prior comparative period due to our investment in an Executive General Manager and the conclusion of client projects as expected.

### FY25 Outlook

Our focus continues to be on understanding, measuring, and rewarding our people for their productivity, performance, and contribution to profit.

Our leaders are committed to continuing the successful turnaround of IGNITE.

We anticipate delivering further half on half, and year on year profit improvement in FY25 for our shareholders.

## Business Strategies, Prospects and Risks

The primary areas of focus for the Group are to:

- Increase the number of active contingent labour contractors in Specialist Recruitment, with Federal Government, to drive revenue and gross profit growth.
- Increase the number of permanent placements in Technology, Engineering, and Business Support where customer demand remains positive.
- Grow Technology Solutions, increasing the pipeline of opportunities, to grow the gross profit contribution.
- Grow our share of wallet in Federal Government and continue to improve gross margins.
- Continue to focus on understanding, measuring, and rewarding people for their productivity, performance, and contribution to profit; and
- Continue to invest time, energy and resources in learning and development, leadership development, recognition, and rewards.

The future financial performance of the Group is at risk from the following factors:

- There is a high reliance on revenue and gross profit from the Federal Government. A significant reduction in the volume of contingent labour provided to the Federal Government could materially impact the Group's revenue and gross profit.

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<sup>1</sup> Details of the accelerated pro-rata non-renounceable entitlement offer (Entitlement Offer) are available on the ASX. First announced on 23 November 2023, with results of the Institutional, Retail and Shortfall rounds published on 27 November 2023, 22 December 2023 and 12 March 2024 respectively.

## Directors' Report (continued)

### Business Strategies, Prospects and Risks (continued)

- There is a high reliance on experienced account managers who manage the Group's customers and contingent labour contractors. The loss of these experienced account managers may adversely impact the Group's revenue and gross profit.
- There is a reliance on several third-party SaaS platforms that support the Group's daily operations and, as such, loss of access to, or compromise in relation to those systems, may adversely impact the Group's operations.
- The seasonally adjusted unemployment rate remains at 4.0% for December 2024 and continues to point to a shortage of appropriately skilled and/ or qualified candidates in the market. This may impact the Group's ability to source contingent labour and make permanent placements for its customers, with the potential to impact the Group's ability to grow revenue and gross profit.

### Events subsequent to the reporting date

No matters or circumstances have arisen since the end of the half year that significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

### Auditor's independence declaration

The lead auditor's independence declaration for the half year ended 31 December 2024 is set out on page 5 of the Directors' Report.

### Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/ Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the Condensed Consolidated Financial Statements are rounded off to the nearest thousand dollars or in certain cases to the nearest dollar, unless otherwise indicated.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the Corporations Act 2001.



Garry Sladden  
Chairperson

Dated at Sydney this 18th day of February 2025



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Ignite Limited

## Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Ignite Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'PKF'.

PKF

A handwritten signature in black ink, appearing to be 'Kym Reilly'.

KYM REILLY  
PARTNER

18 FEBRUARY 2025  
SYDNEY, NSW

## Condensed Consolidated Financial Statements

### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### For the half year ended 31 December 2024

|   | Note | 31 Dec<br>2024<br>\$000 | 31 Dec<br>2023<br>\$000 |
|---|------|-------------------------|-------------------------|
| Revenue   | 4, 5 | 46,788                  | 50,241                  |
| Contingent labour costs   |      | (40,902)                | (44,290)                |
| <b>Gross profit</b>   |      | 5,886                   | 5,951                   |
| Other income  |      | 5                       | 1                       |
| Employee benefits expense                                       |      | (3,751)                 | (3,617)                 |
| Depreciation and amortisation expense                           |      | (143)                   | (180)                   |
| Occupancy expense   |      | (137)                   | (173)                   |
| Other expenses  |      | (1,279)                 | (1,663)                 |
| <b>Profit</b>   |      | 581                     | 319                     |
| Finance income  |      | 70                      | 13                      |
| Finance costs   |      | (36)                    | (119)                   |
| <b>Profit before income tax</b>                                 |      | 615                     | 213                     |
| Income tax  |      | -                       | -                       |
| <b>Profit from net of income tax</b>                            |      | 615                     | 213                     |
| <b>Other comprehensive income/ (loss)</b>                       |      |                         |                         |
| Items that may be subsequently reclassified to profit or loss:  |      |                         |                         |
| Foreign currency translation differences for foreign operations |      | (6)                     | 6                       |
| Income tax on other comprehensive income                        |      | -                       | -                       |
| <b>Other comprehensive income, net of income tax</b>            |      | (6)                     | 6                       |
| <b>Total comprehensive income</b>                               |      | 609                     | 219                     |

|   | 31 Dec<br>2024<br>Cents | 31 Dec<br>2023<br>Cents |
|---|-------------------------|-------------------------|
| <b>Ordinary activities</b>              |                         |                         |
| Basic earnings per share <sup>1</sup>   | 3.77                    | 0.22                    |
| Diluted earnings per share <sup>1</sup> | 3.56                    | 0.17                    |

1. Announced on 17 October 2024, Ignite Limited consolidated the Company's issued capital, on the basis of one share for every ten shares held. Details of the Security Consolidation (Share Consolidation) are available on the ASX. The Share Consolidation was completed on 29 November 2024, resulting in the 31 December 2024 Basic earnings per share and Diluted earnings per share improving ten-fold on the prior comparative period.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the Consolidated Financial Statements.



## Condensed Consolidated Statement of Financial Position As at 31 December 2024

|                                      | Note | 31 Dec<br>2024<br>\$000 | 30 Jun<br>2024<br>\$000 |
|--------------------------------------|------|-------------------------|-------------------------|
| <b>Current assets</b>                |      |                         |                         |
| Cash and cash equivalents            | 6    | 3,523                   | 4,101                   |
| Trade and other receivables          |      | 8,038                   | 8,712                   |
| <b>Total current assets</b>          |      | <b>11,561</b>           | <b>12,813</b>           |
| <b>Non-current assets</b>            |      |                         |                         |
| Plant and equipment                  |      | 22                      | 31                      |
| Right-of-use assets                  |      | 94                      | 228                     |
| <b>Total non-current assets</b>      |      | <b>116</b>              | <b>259</b>              |
| <b>Total assets</b>                  |      | <b>11,677</b>           | <b>13,072</b>           |
| <b>Current liabilities</b>           |      |                         |                         |
| Trade and other payables             |      | 2,615                   | 4,382                   |
| Debtor finance facility              |      | -                       | 2                       |
| Lease liabilities                    |      | 76                      | 230                     |
| Provisions                           |      | 676                     | 734                     |
| <b>Total current liabilities</b>     |      | <b>3,367</b>            | <b>5,348</b>            |
| <b>Non-current liabilities</b>       |      |                         |                         |
| Lease liabilities                    |      | 5                       | 21                      |
| Provisions                           |      | 32                      | 39                      |
| <b>Total non-current liabilities</b> |      | <b>37</b>               | <b>60</b>               |
| <b>Total liabilities</b>             |      | <b>3,404</b>            | <b>5,408</b>            |
| <b>Net assets</b>                    |      | <b>8,273</b>            | <b>7,664</b>            |
| <b>Equity</b>                        |      |                         |                         |
| Contributed equity                   | 7    | 37,051                  | 37,051                  |
| Reserves                             |      | 1,117                   | 508                     |
| Accumulated losses                   |      | (29,895)                | (29,895)                |
| <b>Total equity</b>                  |      | <b>8,273</b>            | <b>7,664</b>            |

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the Consolidated Financial Statements.

## Condensed Consolidated Statement of Changes in Equity For the half year ended 31 December 2024

|   | Contributed<br>Equity<br>\$000 | Reserves<br>\$000 | Accumulated<br>Losses<br>\$000 | Total<br>\$000 |
|---|--------------------------------|-------------------|--------------------------------|----------------|
| <b>Current period</b>   |                                |                   |                                |                |
| Balance as at 1 July 2024   | 37,051                         | 508               | (29,895)                       | 7,664          |
| Profit for the period attributable to the Profit reserve <sup>1</sup>               | -                              | 615               | -                              | 615            |
| <i>Other comprehensive income</i>   |                                |                   |                                |                |
| Foreign currency translation differences for foreign operations                     | -                              | (6)               | -                              | (6)            |
| Total comprehensive profit for the period attributable to the Owners of the Company | -                              | 609               | -                              | 609            |
| Balance as at 31 December 2024  | 37,051                         | 1,117             | (29,895)                       | 8,273          |
| <b>Prior comparative period</b>   |                                |                   |                                |                |
| Balance as at 1 July 2023   | 83,541                         | (106)             | (79,949)                       | 3,486          |
| Profit for the period attributable to the Profit reserve                            | -                              | 213               | -                              | 213            |
| <i>Other comprehensive income</i>   |                                |                   |                                |                |
| Foreign currency translation differences for foreign operations                     | -                              | 6                 | -                              | 6              |
| Total comprehensive profit for the period attributable to the Owners of the Company | -                              | 219               | -                              | 219            |
| Issue of ordinary shares <sup>2</sup>   | 3,004                          | -                 | -                              | 3,004          |
| Reduction of share capital <sup>3</sup>   | (50,054)                       | -                 | 50,054                         | -              |
| Total transactions with the Owners of the Company                                   | (47,050)                       | -                 | 50,054                         | 3,004          |
| Balance as at 31 December 2023  | 36,491                         | 113               | (29,895)                       | 6,709          |

1. On 18 February 2025, the Directors resolved that the profits for the period were appropriated to a Profit Reserve.

2. Details of the accelerated pro-rata non-renounceable entitlement offer (Entitlement Offer) are available on the ASX. First announced on 23 November 2023, with results of the Institutional, Retail and Shortfall rounds published on 27 November 2023, 22 December 2023 and 12 March 2024 respectively.

3. On 31 December 2023, Ignite Limited reduced its share capital by \$50.05m in accordance with section 258F of the Corporations Act 2001, reducing accumulated losses deemed to be of a permanent nature by the same amount. There is no impact on shareholders from the capital reduction as no shares have been cancelled or rights varied, and there is no change in the net asset position of the Company. There is also no impact on the availability of the Company's tax losses from this capital reduction.

## Condensed Consolidated Statement of Cash Flows For the half year ended 31 December 2024

|  | Note | 31 Dec<br>2024<br>\$000 | 31 Dec<br>2023<br>\$000 |
|--|------|-------------------------|-------------------------|
| <b>Cash flows (used in)/ from operating activities</b>             |      |                         |                         |
| Receipts from customers  |      | 52,040                  | 58,024                  |
| Payments to suppliers and employees                                |      | (49,656)                | (53,853)                |
| Interest received  |      | 71                      | 13                      |
| Interest and other borrowing costs paid                            |      | (36)                    | (119)                   |
| Goods and services tax paid  |      | (3,002)                 | (3,360)                 |
| Net cash (used in)/ from operating activities                      | 11   | (583)                   | 705                     |
| <b>Cash flows from/ (used in) investing activities</b>             |      |                         |                         |
| Decrease in deposits   |      | 178                     | -                       |
| Purchase of plant and equipment                                    |      | -                       | (2)                     |
| Net cash from/ (used in) investing activities                      |      | 178                     | (2)                     |
| <b>Cash flows (used in)/ from financing activities</b>             |      |                         |                         |
| Proceeds from issue of share capital                               |      | -                       | 3,093                   |
| Net repayment of debtor finance facility                           |      | (3)                     | (2,009)                 |
| Payment of lease liabilities                                       |      | (170)                   | (169)                   |
| Net cash (used in)/ from financing activities                      |      | (173)                   | 915                     |
| Net (decrease)/ increase in cash                                   |      | (578)                   | 1,618                   |
| Cash and cash equivalents at the beginning of the period           |      | 4,101                   | 234                     |
| Effect of exchange rates on cash holdings<br>in foreign currencies |      | -                       | (6)                     |
| Cash and cash equivalents at the end of the period                 | 6    | 3,523                   | 1,846                   |

# Notes to the Condensed Consolidated Financial Statements

## Note 1. Reporting Entity

The Company is incorporated and domiciled in Australia and is limited by shares. The Condensed Consolidated Financial Statements represent the Group for the half year ended 31 December 2024.

The consolidated annual financial statements of the Group for the year ended 30 June 2024 are available upon request from the Company's registered office at Level 2, 55 Wentworth Street, Canberra, ACT 2604 or at [www.igniteco.com](http://www.igniteco.com).

## Note 2. Basis of Preparation

### Statement of compliance

The Condensed Consolidated Financial Statements are general purpose financial statements prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 Interim Financial Reporting ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The Condensed Consolidated Financial Statements do not include notes of the type normally included in annual financial statements and should be read in conjunction with the most recent consolidated annual financial statements.

The Condensed Consolidated Financial Statements have been prepared under the historical cost convention. All amounts are presented in Australian dollars, unless otherwise noted.

The Condensed Consolidated Financial Statements were authorised for issue by the Directors on the 18<sup>th</sup> day of February 2025.

### Rounding of amounts

The Company has applied the relief available under ASIC Corporations (Rounding in Financials/ Directors' Reports) Instrument 2016/191 dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the Condensed Consolidated Financial Statements have been rounded to the nearest thousand dollars, or in certain cases to the nearest dollar, unless otherwise indicated.

### Going concern

The Directors have prepared the Condensed Consolidated Financial Statements on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the discharge of liabilities in the ordinary course of business.

The Directors are confident in the Group's ability to continue as a going concern due to the following factors:

- The Group has reported a statutory profit for the half year ended 31 December 2024.
- The existence and continuity of the debtor finance facility with ScotPac Business Finance, which expires on 20 February 2026. The maximum Facility amount is the lower of 85% of approved trade receivables or \$15 million and is subject to certain drawdown and reporting conditions. At the reporting date the total amount drawn on the facility is \$NIL, and the applicable interest rate was 10.37% (30 June 2024: 10.34%).
- The reduction in overall cost base of the business.
- The Group's net assets of \$8,273k on 31 December 2024 and the ability to maintain positive net assets as at 31 March 2026.

Based on these factors, the Directors are confident in the Group's ability to continue as a going concern.

## Note 3. Material Accounting Policies

The accounting policies applied by the Group in these Condensed Consolidated Financial Statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 30 June 2024, which are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

### New and revised Australian Accounting Standards and Interpretations affecting disclosures and/ or amounts reported in the Condensed Consolidated Financial Statements

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the current half year. The application of these amendments does not have any material impact on the disclosures and/ or the amounts recognised in the Condensed Consolidated Financial Statements:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current.

### Impact of the application of new and revised AASB Standards and Interpretations in issue but not yet effective

The Directors have considered the impact of all new and revised AASB Standards and Interpretations and concluded that the application of these amendments is not expected to have any material impact on the disclosures and/ or the amounts recognised in the Condensed Consolidated Financial Statements, and do not intend to adopt any of these pronouncements before their effective date. At the date of authorisation of the Condensed Consolidated Financial Statements the standards listed below were in issue but not yet effective and were relevant to the Group.

|   | Effective for annual reporting periods beginning on or after | Expected to be initially applied in the financial year ending |
|---|--|---|
| <b>Standards mandatory beyond 31 December 2024</b>  |  |   |
| AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments | 1 January 2026   | 30 June 2027  |
| AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume 11                           | 1 January 2026   | 30 June 2027  |
| AASB18 Presentation and Disclosure in Financial Statements  | 1 January 2027   | 30 June 2028  |

## Note 4. Disaggregation of Revenue

The Group derives its revenue from the transfer of services over time and at a point in time through the following service lines. This is consistent with the revenue information that is disclosed for each reportable segment under AASB 8 Segment Reporting as disclosed in Note 5. Revenue information for the half year ended 31 December 2024 is as follows:

|   | 31 Dec 2024<br>\$000 | Consolidated<br>31 Dec 2023<br>\$000 |
|---|----------------------|--------------------------------------|
| <b>Timing of revenue recognition - over time</b>          |                      |                                      |
| Contingent labour   | 45,618               | 48,787                               |
| Technology solutions                                      | 589                  | 956                                  |
|   | 46,207               | 49,743                               |
| <b>Timing of revenue recognition - at a point in time</b> |                      |                                      |
| Permanent recruitment                                     | 581                  | 498                                  |
| <b>Total revenue</b>                                      | <b>46,788</b>        | <b>50,241</b>                        |

## Notes to the Condensed Consolidated Financial Statements (continued)

### Note 5. Segment Reporting

The Group is organised around two operating segments across Australia, which are both labour related. These segments are Specialist Recruitment and Technology Solutions, and the segment information for the half year ended 31 December 2024 is as follows:

|   | Specialist Recruitment |             | Technology Solutions |             | Consolidated |             |
|---|------------------------|-------------|----------------------|-------------|--------------|-------------|
|   | 31 Dec 2024            | 31 Dec 2023 | 31 Dec 2024          | 31 Dec 2023 | 31 Dec 2024  | 31 Dec 2023 |
|   | \$000                  | \$000       | \$000                | \$000       | \$000        | \$000       |
| Revenue                                       | 46,199                 | 49,285      | 589                  | 956         | 46,788       | 50,241      |
| Profit / (loss) before tax                    | 2,475                  | 2,838       | (169)                | 135         | 2,306        | 2,973       |
| Less: Corporate overheads                     |                        |             |                      |             | (1,691)      | (2,760)     |
| Consolidated profit/ (loss) before income tax |                        |             |                      |             | 615          | 213         |

### Note 6. Cash and Cash Equivalents

|                          | Consolidated |             |
|--------------------------|--------------|-------------|
|                          | 31 Dec 2024  | 30 Jun 2024 |
|                          | \$000        | \$000       |
| Cash at bank and on hand | 3,523        | 4,101       |

### Note 7. Contributed Equity

|  | Consolidated  |             |
|--|---------------|-------------|
|  | 31 Dec 2024   | 30 Jun 2024 |
|  | \$000         | \$000       |
| Paid up share capital at the beginning of the year                     | 37,501        | 83,541      |
| Shares issued – accelerated non-renounceable equity offer <sup>1</sup> | -             | 3,680       |
| Cost of shares issued – accelerated non-renounceable equity offer      | -             | (116)       |
| Reduction of share capital <sup>2</sup>                                | -             | (50,054)    |
| Paid up share capital at the end of the year                           | 37,501        | 37,051      |
|  | No.           | No.         |
| Issued shares at the beginning of the year                             | 163,187,089   | 89,582,175  |
| Share consolidation <sup>3</sup> – 1 share for every 10 shares held    | (146,868,542) | -           |
| Shares issued – accelerated non-renounceable equity offer              | -             | 73,604,914  |
| Issued Shares at the end of the year                                   | 16,318,547    | 163,187,089 |

1. Details of the accelerated pro-rata non-renounceable entitlement offer (Entitlement Offer) are available on the ASX. First announced on 23 November 2023, with results of the Institutional, Retail and Shortfall rounds published on 27 November 2023, 22 December 2023 and 12 March 2024 respectively.
2. On 31 December 2023, Ignite Limited reduced its share capital by \$50.05m in accordance with section 258F of the Corporations Act 2001, reducing accumulated losses deemed to be of a permanent nature by the same amount. There is no impact on shareholders from the capital reduction as no shares have been cancelled or rights varied, and there is no change in the net asset position of the Company. There is also no impact on the availability of the Company's tax losses from this capital reduction.
3. Details of the Security Consolidation (Share Consolidation) are available on the ASX. Announced on 17 October 2024, Ignite Limited consolidated the Company's issued capital, on the basis of one share for every ten shares held. The Share Consolidation was completed on 29 November 2024, following shareholder approval at the Annual General Meeting held on 19 November 2024.

# Notes to the Condensed Consolidated Financial Statements (continued)

## Note 8. Share-based Payments

A share option plan has been established by the Group whereby the Board may grant options over ordinary shares in the company to certain key personnel of the Group. These shares have been issued in compliance with ASX Listing Rule 7.1. The options are issued for \$NIL consideration and are granted in accordance with service periods and performance guidelines established by the Board. The exercise price is payable by key personnel.

Set out below are summaries of options granted under the plan:

### 31 Dec 2024

| Grant Date                      | Expiry Date | Exercise Price | Balance at start of the half year | Options granted | Options consolidated <sup>1</sup> | Options exercised | Options expired | Balance at end of the half year |
|---------------------------------|-------------|----------------|-----------------------------------|-----------------|-----------------------------------|-------------------|-----------------|---------------------------------|
|                                 |             |                | No.                               | No.             | No.                               | No.               | No.             | No.                             |
| 20/10/2023                      | 20/10/2030  | \$0.76         | 3,291,667                         | -               | (2,962,506)                       | -                 | (24,999)        | 304,162                         |
| 13/09/2024                      | 13/09/2031  | \$0.96         | -                                 | 3,500,000       | (3,150,011)                       | -                 | -               | 349,989                         |
| 17/12/2024                      | 17/12/2029  | \$0.96         | -                                 | 300,000         | -                                 | -                 | -               | 300,000                         |
|                                 |             |                | 3,291,667                         | 3,800,000       | (6,112,517)                       | -                 | (24,999)        | 954,151                         |
| Weighted average exercise price |             |                | \$0.76                            | \$0.96          | \$0.87                            | \$0.00            | \$0.76          | \$0.90                          |

1. Details of the Security Consolidation (Share Consolidation) are available on the ASX. Announced on 17 October 2024, Ignite Limited consolidated the Company's issued capital, on the basis of one share for every ten shares held. The Share Consolidation was completed on 29 November 2024, following shareholder approval at the Annual General Meeting held on 19 November 2024.

### 30 June 2024

| Grant Date                      | Expiry Date | Exercise Price | Balance at start of the half year | Options granted | Options exercised | Options expired | Balance at end of the half year |
|---------------------------------|-------------|----------------|-----------------------------------|-----------------|-------------------|-----------------|---------------------------------|
|                                 |             |                | No.                               | No.             | No.               | No.             | No.                             |
| 20/10/2023                      | 20/10/2030  | \$0.76         | -                                 | 3,625,000       | -                 | (333,333)       | 3,291,667                       |
|                                 |             |                | -                                 | 3,625,000       | -                 | (333,333)       | 3,291,667                       |
| Weighted average exercise price |             |                | \$0.00                            | \$0.76          | \$0.00            | \$0.76          | \$0.76                          |

Set out below are the options exercisable at the end of the 31 December 2024:

| Grant date | Expiry date | 31 Dec 2024 | 30 Jun 2024 |
|------------|-------------|-------------|-------------|
|            |             | No.         | No.         |
| 17/12/2024 | 17/12/2029  | 100,000     | -           |
| 13/09/2024 | 13/09/2031  | 116,663     | -           |
| 20/10/2023 | 20/10/2030  | 112,498     | 1,208,337   |
|            |             | 329,161     | 1,208,337   |

The total expense recorded in relation to the options during the period was \$NIL (31 December 2023: \$NIL).

## Note 9. Dividends

On 18 February 2025 the Directors resolved to declare an interim dividend for the half year ended 31 December 2024 at \$0.035 per share. No interim dividend was paid in the prior comparative period.

## Notes to the Condensed Consolidated Financial Statements (continued)

### Note 10. Subsidiaries

The Condensed Consolidated Financial Statements incorporate the assets, liabilities and results of the following controlled entities. The Company does not have any holdings in associates or joint ventures.

| Subsidiary                          | Principal Activity | Country of Incorporation | Class of Shares | Equity Holding % |             |
|-------------------------------------|--------------------|--------------------------|-----------------|------------------|-------------|
|                                     |                    |                          |                 | 31 Dec 2024      | 31 Dec 2023 |
| Ignite New Zealand Holdings Limited | Holding            | New Zealand              | Ordinary        | 100              | 100         |
| Ignite IT Services Limited          | Operating          | New Zealand              | Ordinary        | 100              | 100         |

### Note 11. Cash Flow Information

Reconciliation of profit/ (loss) from ordinary activities after income tax to cash flows (used in)/ from operating activities

|  | Consolidated |             |
|--|--------------|-------------|
|  | 31 Dec 2024  | 31 Dec 2023 |
|  | \$000        | \$000       |
| Profit/ (loss) from ordinary activities after income tax | 615          | 213         |
| Adjustments for:   |              |             |
| Depreciation and amortisation expense                    | 143          | 180         |
| Loss on disposal of fixed assets                         | 1            | -           |
| Net exchange differences                                 | (6)          | 12          |
| Changes in assets and liabilities:                       |              |             |
| Decrease in trade and other debtors and accrued revenue  | 462          | 2,602       |
| (Increase)/ decrease in prepayments                      | 34           | (75)        |
| Decrease in trade creditors and accruals                 | (1,767)      | (2,164)     |
| Decrease in provisions                                   | (65)         | (63)        |
| Net cash (used in)/ from operating activities            | (583)        | 705         |

### Note 12. Events Subsequent to the Reporting Date

No matters or circumstances have arisen since the end of the half year that significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.



## Directors' Declaration

In the opinion of the Directors of the Company:

- a) the Condensed Consolidated Financial Statements and notes that are contained in pages 10 to 14 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the Corporations Act 2001.



Garry Sladden  
Chairperson

Dated at Sydney this 18th day of February 2025



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## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IGNITE LIMITED

### Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Ignite Limited and its controlled entities (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2024, and the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ignite Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024, and of its financial performance for the half year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors of the Group a written Auditor's Independence Declaration.

### Directors' Responsibility for the Half Year Financial Report

The directors of the Group are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As the auditor of Ignite Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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### Auditor's Responsibility (cont'd)

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads "PKF".

PKF

A handwritten signature in black ink, appearing to read "Kym Reilly".

KYM REILLY  
PARTNER

18 FEBRUARY 2025  
SYDNEY, NSW



RECRUITMENT & TECHNOLOGY SOLUTIONS

# 2025

## HALF YEAR REPORT

[igniteco.com](http://igniteco.com)